



U.S. Department of Justice
United States Attorney
Southern District of Georgia

Post Office Box 8970

100 Bull Street

Savannah, GA 31412
(912) 652-4422 / FAX (912) 652-4471

/Savannah, GA 31401

FOR IMMEDIATE RELEASE
FEBRUARY 5, 2003

CONTACT: DAN DRAKE
Telephone: (912) 201-2669

***Swainsboro Businessman Sentenced to Five Years
Imprisonment on Guilty Plea to Conspiracy to Defraud
Swazi Government and Fraudulent Loan to Build
Wrightsville Catfish Processing Plant***

AUGUSTA: Edmund A. Booth, Jr., Acting United States Attorney for the Southern District of Georgia, announced today that Erwin David Rabhan, age 76, of Swainsboro, Georgia appeared on February 4, 2003 in U.S. District Court in Statesboro, Georgia before U.S. District Judge B. Avant Edenfield and was sentenced to 5 years imprisonment to be followed by a 3 year term of supervised release. The court ordered Rabhan to pay restitution in the amount of \$11,639,309.93 and \$100.00 in a special assessment.

Rabhan's sentence followed his earlier plea of guilty to conspiracy to make false statements and commit bank fraud against the AmTrade International Bank of Atlanta, Georgia in connection with two letters of credit and the Enterprise National Bank of Palm Beach, Florida in connection with a loan application.

At the Rule 11 guilty plea proceeding on November 27, 2002, the evidence showed Rabhan made fraudulent inducements to a government agency in the Kingdom of Swaziland to invest over \$6,000,000.00, by representing that it was entering into a joint venture with Rabhan's company, Nutrition Dynamics International, to build an infant formula and a candy factory using new, state of the art equipment manufactured in the

United States. The monies invested by the Swazi agency for purchase of the new state of the art equipment were used to fund letters of credit confirmed by the AmTrade Bank. Rabhan submitted false and fraudulent site drafts to AmTrade to draw down funds from the letters of credit. Rabhan purchased and shipped to the Swazis old used equipment. The equipment was useless and sold as scrap metal. The evidence further showed Rabhan's efforts to defraud Enterprise National Bank of Palm Beach, Florida, into making a \$5,000,000.00 loan for the construction of a catfish processing plant in Wrightsville, Georgia. Rabhan submitted false and fraudulent affidavits and documents to establish an equity in the project, his personal net worth and the cost of construction. Rabhan further promised to supply equipment for the project. The equipment was not supplied and the plant is not operational. That loan was guaranteed by the United States Department of Agriculture (USDA) through the Rural Development Administration's Business and Industry Guaranteed Loan Program. The conspiracy generated over \$11,000,000.00 in fraudulently obtained funds.

Rabhan has 10 days by law to appeal his sentencing. Rabhan was taken into custody by the United States Marshal's Service immediately after sentencing.

Booth stated that the sentencing was the culmination of a successful investigation and prosecution. He commended the efforts of Special Agents Karen Citizen-Wilcox and Alan C. Kennedy of the United States Department of Agriculture, Office of Inspector General, and Special Agent Edward Sutcliff from the Statesboro office of the Federal Bureau of Investigation.

Booth also praised the fine work by Assistant United States Attorneys Lamar Walter and William Frentzen who represented the government in the case.

XXXXX
06-03